

Bulletin



Comptroller of Maryland • Alcohol and Tobacco Tax Division • Goldstein Treasury Building • P.O. Box 2999
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No. TT-35

May 10, 2002

TO: All Cigarette Retail Dealers

SUBJECT: Cigarette Tax Increase - Floor Tax

The 2002 Session of the Maryland General Assembly enacted legislation raising the excise tax on cigarettes from 66 cents to \$1.00 per pack effective June 1, 2002, an increase of 34 cents per pack of 20. The Governor is expected to sign this legislation shortly. The new tax rate applies to all floor stock and to all cigarettes in vending machines located anywhere in Maryland on June 1, 2002.

In order to properly report and remit the additional tax due on your cigarette inventories, you will need to complete the enclosed Cigarette Floor Tax Return. Please read the forms carefully and complete them before moving or selling any cigarettes on June 1, 2002. **A physical inventory is required of all cigarettes held in your possession at 12:01 a.m. on June 1, 2002 and must be entered in the proper space on the tax return.** Any cigarettes not accounted for in accordance with the above would be considered contraband and subject to confiscation.

Please use the enclosed self-addressed envelope to submit your return and additional tax. The Cigarette Floor Tax Return can be filed anytime after June 1, but must be submitted no later than **September 30, 2002.**

Any questions regarding the cigarette floor tax should be directed to Ms. Michele Lindsay at (410) 260-7383, or your cigarette wholesaler.

Thank you for your cooperation.

Charles W. Ehart, DPA
Director
Alcohol and Tobacco Tax Division

Enclosures

